ABSTRACT OF THE DISCLOSURE

A technique for adaptive encryption of digital assets such as computer files. The system model monitors passage of files to uncontrollable removable storage media or through network connections and the like which may indicate possible abuse of access rights. In accordance with a preferred embodiment, an autonomous independent agent process running at a point of use, such a background process in a client operating system kernel, interrupts requests for access to resources. The agent process senses low level system events, filters, and aggregates them. A policy engine analyzes sequences of aggregate events to determine when to apply encryption.